**Spotlight #2 on Affordable Housing – Key Definitions**

Affordable housing can be very technical, which can make it seem overwhelming at times. This week, to help clear things up, we are defining some key terms that will be used in future spotlights and come up regularly when people talk about affordable housing.

**Key Definitions:**

**Affordable Housing:** Affordable housing can have different meanings for different people and organizations. When the Municipality refers to “Affordable Housing”, it is a specific definition from the Provincial Policy Statement (PPS) 2020 as follows:

In the case of **ownership housing**, the least expensive of:

* 1. Housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of gross annual household income for low and moderate income households; or
  2. Housing for which the purchase price is at least 10 percent below the average purchase price of a resale unit in the regional market area.

In the case of **rental housing**, the least expensive of:

1. A unit for which the rent does not exceed 30 percent of gross annual household income for low and moderate income households; or
2. A unit for which the rent is at or below the average market rent of a unit in the regional market area.

Affordable Housing requires a formal agreement between the developer or landlord and at least one level of government to ensure that the units continue to meet the definition of “Affordable” over time.

**Attainable Housing:** Attainable Housing is a newer term that is being used to describe housing that is lower in cost than the average market prices for purchasing a home or renting a unit. It is important to note that attainable housing does not meet the above definition of affordable housing.

**Not-for-profit Housing vs Market Housing:** Not-for-profit housing is typically operated by non-profit societies, co-ops, and government agencies, and is a crucial source of secure affordable housing for low and moderate-income households. Market Housing is private rental or homeownership units where prices are set in the open market without any direct subsidy.

**Social Housing**: While all social housing is affordable, the term ‘social housing’ refers more specifically to housing that is subsidized by an upper tier level of municipal government. In our area, overseeing the Social Housing stock is the responsibility of Lanark County (the upper tier municipality) as the Municipal Service Manager. Some examples of social housing programs in Lanark County include:

* 1. Rent Geared to Income (RGI): is a housing subsidy/assistance allows qualifying tenants to pay approximately 30% of their income as rent.
  2. Portable Housing Benefit: A monthly subsidy to low-income households to bridge the gap between affordable rent and some or all of average market rent.
  3. Rent Supplement: Helps low-income households to offset high shelter costs by providing up to $200 per month to the landlord.

**Municipal Service Manager:** Lanark County is a designated Service Manager under the Housing Services Act, and is primarily responsible for the provision of social housing, administration of homelessness programs, and administration of funding from senior levels of government.

**Additional Residential Unit (ARU)** An ARU is a secondary or accessory dwelling unit on a property where there is already a primary dwelling unit. ARUs can be inside an existing house, added on, or located in a detached accessory structure. These come in many shapes and sizes and are commonly referred to as basement apartments, coach homes, in-law suites and garage lofts. ARUs are typically smaller than the primary unit and are not restricted to only settlement areas. They are permitted in all areas of the municipality where there is a principal dwelling unit.

While there are likely many more key terms that people may use when discussing affordable housing, the 6 definitions above were chosen to act as a starting point into this important conversation.

Next week we will be looking more closely at what Mississippi Mills is doing including some new initiatives. Be sure to check back weekly for new spotlights!